

To the Honorable Council  
City of Norfolk, Virginia

January 14, 2014

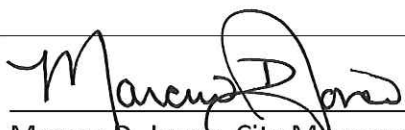
From: Steven J. Anderson, Director of  
Development

**Subject:** Amendment to Lease with  
Cleo Ruby, Inc.

Reviewed:   
Ronald H. Williams Jr., Assistant City  
Manager

**Ward/Superward:** 2/6

Approved:

  
Marcus D. Jones, City Manager

**Item Number:**

**PH-8**

- I. **Recommendation:** Adopt Ordinance
- II. **Applicant:** Cleo Ruby, Inc. (Todd Jurich's Bistro)  
150 W. Main Street
- III. **Description**  
This agenda item amends the lease with Cleo Ruby, Inc. (Todd Jurich's Bistro) to adjust the rental rate and to extend the term of the lease for an additional five (5) years for certain premises owned by the City of Norfolk consisting of approximately 4,524 square feet located on the first floor of the office building at 150 West Main Street.
- IV. **Analysis**  
Tenant exercised its option to extend the term of the lease for one additional period of five years commencing on March 1, 2015 and ending on February 29, 2020.
- V. **Financial Impact**  
The initial rental period has an annual base rent of approximately \$61,074.
- VI. **Environmental**  
N/A
- VII. **Community Outreach/Notification**  
Public notification for this agenda item was conducted through the City of Norfolk's agenda notification process.

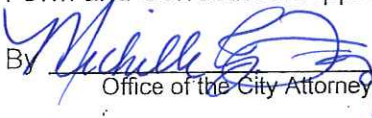
**VIII. Board/Commission Action**

N/A

**IX. Coordination/Outreach**

This letter has been coordinated with the Department of Development and City Attorney's Office.

Form and Correctness Approval:

By   
Office of the City Attorney

RAW

Contents Approved:

By   
DEPT.

NORFOLK, VIRGINIA

**ORDINANCE No.**

AN ORDINANCE APPROVING AN AMENDMENT TO LEASE WITH  
CLEO RUBY, INC., FOR USE OF CERTAIN SPACE IN  
SUNTRUST BUILDING.

- - -

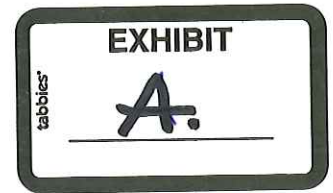
BE IT ORDAINED by the Council of the City of Norfolk:

Section 1:- That the Amendment to Lease between the City of Norfolk, as Lessor, and Cleo Ruby, Inc., as Lessee, a copy of which is attached hereto as Exhibit A, by which the City of Norfolk adjusts the rental rate currently in effect and leases to Cleo Ruby, Inc., for an additional five (5) years certain premises owned by the City of Norfolk and consisting of approximately 4,524 square feet located on the first floor of the office building currently known as the SunTrust Building and located at 150 West Main Street, is hereby approved.

Section 2:- That the City Manager is authorized to execute the Amendment to Lease for and on behalf of the City, and to do all things necessary and proper to carry out its terms.

Section 3:- That the City Manager is further authorized to correct, amend or revise the Amendment to Lease and underlying lease agreements as he may deem advisable in order to carry out the intent of the Council.

Section 4:- That this ordinance shall be in effect from and after 30 days from the date of its adoption.



AMENDMENT TO LEASE  
(Todd Jurich's Bistro – 150 W. Main Street)

THIS AMENDMENT TO LEASE is entered into as of the 1st day of November, 2013, by and between the CITY OF NORFOLK, a municipal corporation of the Commonwealth of Virginia ("Landlord"), and CLEO RUBY, INC., a Virginia corporation ("Tenant").

WITNESSETH:

WHEREAS, the Economic Development Authority of the City of Norfolk ("EDA") and Cleo Ruby, Inc. entered into an Indenture of Lease, dated October 5, 2001, ("Lease") for premises located on the first floor of the office building currently known as SunTrust Building and located at 150 W. Main Street in the City of Norfolk ("Building");

WHEREAS, by Deed of Bargain and Sale, dated December 5, 2001, the EDA conveyed the Building to the City of Norfolk and assigned the Lease to the City of Norfolk;

WHEREAS, by Renewed Indenture of Lease, dated as of March 1, 2010, Tenant exercised its option to extend the term of the lease for an additional period of five (5) years, commencing on March 1, 2010, and ending on February 28, 2015;

WHEREAS, Tenant desires to exercise its option to extend the term of the Lease for one (1) additional period of five (5) years upon the terms set forth herein;

WHEREAS, because of economic conditions, Tenant has been unable to pay rent in accordance with the terms of the Lease;

WHEREAS, Landlord and Tenant desire to allow for repayment of such overdue rents (the "Overdue Rent") in accordance with terms and conditions set forth herein; and

WHEREAS, Landlord and Tenant desire to modify the amount of base rent due under the Lease.

AGREEMENT:

NOW, THEREFORE, for and in consideration of the mutual covenants stated herein, the parties hereto agree as follows

1. Term. Tenant does hereby exercise its option to extend the term of the Lease for one (1) additional period of five (5) years, commencing on March 1, 2015, and ending on February 29, 2020.
2. Rent. Commencing on January 1, 2014, and continuing until February 29, 2020, base rent and Overdue Rent shall be payable by Tenant in accordance with the terms of the Lease, without demand and without offset, in the amounts set forth below:

<u>Period</u>	<u>Annual Base Rent</u>	<u>Monthly Base Rent</u> <u>\$5,089.50</u>	<u>Monthly Overdue Rent</u>	<u>Total Monthly Base and Overdue Rent</u>
1/1/14 – 12/31/14	\$61,074.00	\$5,089.50	N/A	\$5,089.50
1/1/15 – 12/31/15	\$62,906.22	\$5,242.19	N/A	\$5,242.19
1/1/16 – 12/31/16	\$64,793.41	\$5,399.45	\$1,095.37	\$6,494.82
1/1/17 – 12/31/17	\$66,737.21	\$5,561.43	\$1,095.37	\$6,656.80
1/1/18 – 12/31/18	\$68,739.33	\$5,728.28	\$1,095.37	\$6,823.65
1/1/19 – 12/31/19	\$70,801.51	\$5,900.13	N/A	\$5,900.13
1/1/20 – 2/29/20	\$72,925.56	\$6,077.13	N/A	\$6,077.13

3. Additional Rent. Landlord and Tenant acknowledge and agree that all amounts payable by Tenant under the Lease as Additional Rent, as defined in the Lease, whether currently due and payable or which become due and payable under the Lease, shall be paid by Tenant throughout the term of the Lease, as extended hereby, in accordance with the terms of the Lease.

4. Modification. Except as expressly modified hereby, all terms and conditions of the Lease shall remain in full force and effect.

WITNESS the following signatures and seals:

LANDLORD:

CITY OF NORFOLK,  
a municipal corporation of the Commonwealth of  
Virginia

By: \_\_\_\_\_  
Name: Marcus D. Jones  
Title: City Manager

Attest:

\_\_\_\_\_  
City Clerk

Approved as to content:

\_\_\_\_\_  
Director, Department of Development

Approved as to form and correctness:

\_\_\_\_\_  
Assistant City Attorney

TENANT:

CLEO RUBY, INC.,  
a Virginia corporation

By: \_\_\_\_\_(SEAL)  
G. Todd Jurich  
President